

**SECOND AMENDMENT TO LOAN AGREEMENT**

THIS SECOND AMENDMENT TO LOAN AGREEMENT (this "**Amendment**") is made and entered into as of August 1, 2019, by and among AUSTIN HOUSING FINANCE CORPORATION, a housing finance corporation organized and under the laws of the State of Texas (the "**Issuer**"), CAPITAL ONE, NATIONAL ASSOCIATION, a national banking association (the initial "**Bondholder Representative**"), and HOUSING FIRST OAK SPRINGS, LP, a Texas limited partnership (the "**Borrower**").

**W I T N E S S E T H:**

WHEREAS, in accordance with the terms and provisions of a Trust Indenture (the "**Trust Indenture**") dated as of December 1, 2017, by and between the Issuer and BOKF, NA, a national banking association, as the Trustee (the "**Trustee**"), the Issuer issued its Multifamily Housing Mortgage Revenue Bonds (Housing First Oak Springs Project) Series 2017, in the face amount of \$11,500,000.00 (the "**Bonds**"), and the Bondholder Representative purchased and is the current owner and holder of all the Bonds; and

WHEREAS, in accordance with the terms and provisions of that certain Loan Agreement dated as of December 1, 2017 (as amended, the "**Loan Agreement**"), the Issuer provided a loan (the "**Loan**") of the proceeds of the Bonds to the Borrower and the Borrower executed and delivered to the Issuer, and is legally obligated to pay a Promissory Note (the "**Note**"), dated of even date therewith, in the original principal face amount of \$11,500,000.00; and

WHEREAS, the proceeds of the Loan are being used for the purpose of making a loan to finance the acquisition, construction and equipping of Housing First Oak Springs, a 50-unit multifamily affordable housing project (hereafter defined as the "**Project**"), located in Austin, Texas; and

WHEREAS, Borrower desires to extend the Construction Term Maturity Date in accordance with the terms of Section 4.2(e) of the Loan Agreement; and

WHEREAS, in connection with the extension of the Construction Term Maturity Date as provided herein, the Borrower, the Issuer, and the Bondholder Representative have agreed to further amend the Loan Agreement, as hereinafter provided; and

WHEREAS, the Bondholder Representative is the sole holder of 100% of the principal amount of the Bonds; and

WHEREAS, pursuant to Section 11.2 of the Trust Indenture, the Bondholder Representative, in its own right as the Bondholder Representative and as holder of 100% of the principal amount of the Bonds, has and does hereby approve of and consent to the amendments set forth in this Amendment.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged the Issuer, the Borrower, and the Bondholder Representative agree as follows:

1. **Definitions.** All capitalized terms used in this Amendment which are not otherwise defined herein shall have the meanings assigned to them in the Loan Agreement (as may be hereby amended) or as provided for in the Loan Agreement (including, without limitation, terms used in the Loan Agreement and defined in the Trust Indenture).

2. **Conditions.** The effectiveness of this Amendment is subject to the satisfaction of each of the following conditions, which satisfaction will be evidenced by the Bondholder Representative's execution of this Amendment, all in form and substance satisfactory to the Bondholder Representative:

2.1 The Bondholder Representative shall have received and approved:

(a) **Amendment.** A counterpart of this Amendment executed by the Borrower, the Issuer, the Bondholder Representative, each Guarantor, and as acknowledged and consented to by the Trustee;

(b) **Subordinate Loans.** Evidence that no default exists under any of the Subordinate Loan Documents;

(c) **Bond Counsel Opinion.** An opinion of Bond Counsel addressed to the Trustee and the Bondholder Representative that the Amendment, including the extension of the Construction Term Maturity Date provided for in this Amendment will not in and of itself adversely affect the tax exempt status of the Bonds, the Amendment is allowed by the Indenture and the Loan Agreement and all conditions precedent applicable to the execution of the Amendment under the Trust Indenture and the Loan Agreement have been satisfied;

(d) **Other Documents.** Such other documents as the Bondholder Representative may reasonably request (which shall include without limitation, partnership certificates, and other authorization documents required by the Bondholder Representative in connection with the foregoing);

(e) **Reimbursement.** Borrower shall have paid an extension fee to the Bondholder Representative in the amount of \$23,000.00, and shall have reimbursed the Bondholder Representative, the Trustee, and Issuer for their respective costs and expenses for the preparation of this Amendment and otherwise related to the transactions described herein; and



(f) Other Conditions. All other conditions listed in Section 4.2(e) of the Loan Agreement shall have been satisfied or waived in writing by the Bondholder Representative.

2.2 All legal matters incident to the execution and delivery of this Amendment shall be satisfactory to the Bondholder Representative, the Borrower, the Issuer, and each Guarantor.

3. **Amendments to Loan Agreement.**

3.1 The definitions assigned to the following terms in Section 1.2 of the Loan Agreement are deleted in their entirety and the following are substituted in place thereof:

**"Bondholder Representative's Required Completion Date"** means September 30, 2019, or such earlier date as may be required by the Partnership Agreement or in any of the Subordinate Loan Documents.

**"Construction Term Maturity Date"** means November 1, 2019.

3.2 Section 4.2(e) of the Loan Agreement is hereby deleted in its entirety.

4. **Reaffirmation of Representations and Warranties.** To induce the Bondholder Representative to enter into this Amendment, the Borrower hereby reaffirms, as of the date hereof, its representations and warranties in their entirety contained in the Loan Agreement and in all other Loan Documents executed by the Borrower pursuant thereto (except to the extent such representations and warranties relate solely to an earlier date in which case they shall have been true and accurate in all respects as of such earlier date and except as disclosed to the Bondholder Representative in writing prior to the Borrower's execution of this Amendment) and additionally represents and warrants as follows:

4.1 The execution and delivery of this Amendment and the performance by the Borrower of its obligations under this Amendment and the Loan Agreement as amended hereby are within Borrower's powers, have received all necessary governmental and other approvals (if any shall be required), and do not and will not contravene or conflict with the governance documents of the Borrower or any provision of law, any presently existing requirement or restriction imposed by any judicial, arbitral, regulatory or governmental instrumentality or constitute a default under, or result in the creation or imposition of any lien other than a lien permitted by the Loan Agreement upon any property or assets of the Borrower or any Guarantor under any agreement, instrument or indenture by which the Borrower or any Guarantor is bound;

4.2 This Amendment has been duly executed and delivered on behalf of the Borrower and this Amendment and the Loan Agreement, as amended hereby, are the legal, valid and binding obligations of the Borrower, enforceable in accordance with their terms subject as to enforcement only to bankruptcy, insolvency, reorganization,



moratorium or other similar laws and equitable principles affecting the enforcement of creditors' rights generally; and

4.3 To the best of the Borrower's knowledge, the Bonds and the Trust Indenture are in full force and effect.

5. **NO CONTROL BY BONDHOLDER REPRESENTATIVE.** THE BORROWER AGREES AND ACKNOWLEDGES THAT ALL OF THE COVENANTS AND AGREEMENTS PROVIDED FOR AND MADE BY THE BORROWER IN THIS AMENDMENT, THE LOAN AGREEMENT, AND IN THE OTHER LOAN DOCUMENTS ARE THE RESULT OF EXTENSIVE AND ARMS-LENGTH NEGOTIATIONS BETWEEN THE BORROWER AND THE BONDHOLDER REPRESENTATIVE. THE BONDHOLDER REPRESENTATIVE'S RIGHTS AND REMEDIES PROVIDED FOR IN THE LOAN AGREEMENT AND IN THE OTHER LOAN DOCUMENTS ARE INTENDED TO PROVIDE THE BONDHOLDER REPRESENTATIVE WITH A RIGHT TO OVERSEE THE BORROWER'S ACTIVITIES AS THEY RELATE TO THE LOAN TRANSACTIONS PROVIDED FOR IN THE LOAN AGREEMENT, WHICH RIGHT IS BASED ON THE BONDHOLDER REPRESENTATIVE'S VESTED INTEREST IN THE BORROWER'S ABILITY TO PAY THE NOTE AND PERFORM THE OTHER OBLIGATIONS UNDER THE LOAN DOCUMENTS. NONE OF THE COVENANTS OR OTHER PROVISIONS CONTAINED IN THE LOAN AGREEMENT SHALL, OR SHALL BE DEEMED TO, GIVE THE BONDHOLDER REPRESENTATIVE THE RIGHT OR POWER TO EXERCISE CONTROL OVER, OR OTHERWISE IMPAIR, THE DAY-TO-DAY AFFAIRS, OPERATIONS, AND MANAGEMENT OF THE BORROWER; PROVIDED THAT IF THE BONDHOLDER REPRESENTATIVE BECOMES THE OWNER OF ANY STOCK OF ANY ENTITY, WHICH ENTITY OWNS AN INTEREST IN THE BORROWER, WHETHER THROUGH FORECLOSURE OR OTHERWISE, THE BONDHOLDER REPRESENTATIVE THEREAFTER SHALL BE ENTITLED TO EXERCISE SUCH LEGAL RIGHTS AS IT MAY HAVE BY BEING A SHAREHOLDER OF SUCH ENTITY.

6. **Release.** The Borrower and each Guarantor, on their own behalf and on behalf of their predecessors, successors and assigns (collectively, the "**Releasing Parties**"), hereby acknowledge and stipulate that as of the date of the execution of this Amendment, none of the Releasing Parties has any claims or causes of action of any kind whatsoever against the Bondholder Representative or any of its officers, directors, employees, agents, attorneys, or representatives, or against any of their respective predecessors, successors, or assigns. Each of the Releasing Parties hereby forever releases, remises, discharges and holds harmless the Bondholder Representative and all of its officers, directors, employees, agents, attorneys, and representatives, and all of their respective predecessors, successors, and assigns, from any and all claims, causes of action, demands, and liabilities of any kind whatsoever, whether direct or indirect, fixed or contingent, liquidated or non-liquidated, disputed or undisputed, known or unknown, which any of the Releasing Parties has or may acquire in the future relating in any way to any event, circumstance, action, or failure to act from the beginning of time through the date of the execution of this Amendment.



7. **Lien Continuation: Miscellaneous.** Nothing herein shall in any manner diminish, impair or extinguish the Note or the liens securing the Note. The liens granted in the Loan Documents are not waived. The Borrower ratifies and acknowledges the Loan Documents as valid, subsisting, and enforceable and agrees that the indebtedness evidenced by the Note is just, due, owing and unpaid, and is subject to no offsets, deductions, credits, charges or claims of whatsoever kind or character, and further agrees that all offsets, credits, charges and claims of whatsoever kind or character are fully settled and satisfied. This Amendment is a Loan Document under and as defined in the Loan Agreement. Borrower agrees and acknowledges that the failure of Borrower to substantially complete the Improvements prior to the Bondholder Representative's Required Completion Date shall be an Event of Default.

8. **Jury Waiver.** EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

9. **Miscellaneous.**

9.1 Preservation of Mortgage, Loan Agreement, and Loan Documents. Except as specifically amended and modified by the terms of this Amendment, all of the terms, provisions, covenants, warranties, and agreements contained in the Mortgage, the Loan Agreement, and each other Loan Document shall remain in full force and effect.

9.2 Counterparts. This Amendment may be executed in two or more counterparts, and it shall not be necessary that any one of the counterparts be executed by all of the parties hereto. Each fully or partially executed counterpart shall be deemed an original, but all such counterparts taken together shall constitute but one and the same instrument. The exchange of copies of this Amendment and of signature pages thereof by facsimile or PDF transmission shall constitute effective execution and delivery of this Amendment as to the parties hereto and may be used in lieu of the original instrument for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

9.3 Joinder. Each Guarantor joins in the execution and delivery of this Amendment to join in the release set forth in numerical Section 6 above, and to evidence its Guaranty remains in full force and effect and continues to secure the Note



as hereby modified and extended, and is not limited or otherwise impaired by virtue of the delivery of this Amendment by the Borrower.

9.4 NO ORAL AGREEMENTS. THIS WRITTEN AGREEMENT AND THE OTHER WRITTEN LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

9.5 USA Patriot Act Notification. The following notification is provided to Borrower pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for the Borrower: When the Borrower opens an account, if the Borrower is an individual, the Bondholder Representative will ask for the Borrower's name, taxpayer identification number, residential address, date of birth, and other information that will allow the Bondholder Representative to identify the Borrower, and, if the Borrower is not an individual, the Bondholder Representative will ask for the Borrower's name, taxpayer identification number, business address, and other information that will allow the Bondholder Representative to identify the Borrower. The Bondholder Representative may also ask, if the Borrower is an individual, to see the Borrower's driver's license or other identifying documents, and, if the Borrower is not an individual, to see the Borrower's legal organizational documents or other identifying documents.

9.6 Consent of Bondholder Representative/Direction to Trustee. By executing this Amendment, the Bondholder Representative, in its own right as the Bondholder Representative and as the sole holder of 100% of the Bonds, has and does hereby approve of and consent to the amendments set forth in Section 3 above to the Loan Agreement for purposes of Section 11.2 of the Trust Indenture. In connection with the foregoing, the Bondholder Representative hereby directs BOKF, NA, a national banking association, in its capacity as Trustee under the Trust Indenture, to execute and deliver this Amendment.

EXECUTED effective as of the date first stated in this Amendment.

**BORROWER:**

**HOUSING FIRST OAK SPRINGS, LP, a**  
Texas limited partnership

By: Housing First Oak Springs, GP, LLC, a  
Texas limited liability company, its  
General Partner

By: Austin-Travis County Mental  
Health and Mental Retardation  
Center (d/b/a Integral Care), a  
community center created  
pursuant to Chapter 534 of the  
Texas Health and Safety Code,  
its manager

By: \_\_\_\_\_  
David Weden, CFO

**ISSUER:**

**AUSTIN HOUSING FINANCE  
CORPORATION**

By: \_\_\_\_\_  
Rosie Truelove, Treasurer

Attest:

\_\_\_\_\_  
Secretary



**BONDHOLDER REPRESENTATIVE:**

**CAPITAL ONE, NATIONAL ASSOCIATION**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

JOINED IN FOR THE PURPOSES  
SET FORTH ABOVE:

**GUARANTORS:**

AUSTIN-TRAVIS COUNTY MENTAL HEALTH  
AND MENTAL RETARDATION CENTER (d/b/a  
Integral Care), a community center created pursuant  
to Chapter 534 of the Texas Health and Safety Code

By: \_\_\_\_\_  
David Weden, Chief Administrative  
Officer/Chief Financial Officer

HOUSING FIRST OAK SPRINGS, GP, LLC,  
a limited liability company

By: Austin-Travis County Mental Health and Mental  
Retardation Center (d/b/a Integral Care), a community  
center created pursuant to Chapter 534 of the Texas  
Health and Safety Code, its manager

By: \_\_\_\_\_  
David Weden, Chief Administrative  
Officer/Chief Financial Officer



Acknowledged and Consented solely for the  
purposes of the amendment provided in Section 3 hereof:

**BOKF, NA**, a national banking association

By: \_\_\_\_\_  
Kathy McQuiston,  
Vice President